



4.2 Marketing Planning

Exam preparation notes

Marketing planning, the 7Ps, project tools, segmentation, targeting, positioning, niche versus mass markets, USP, and differentiation.

Core idea

Strong answers show that planning links research, objectives, strategy, resources, and implementation. A good plan coordinates the whole business - not just promotion.

Plan structure

Role of planning

Marketing mix (7Ps)

Project tools

STP and differentiation

How to use these notes

- Start with the planning process and the 7Ps.
- Practise explaining why planning improves decisions.
- Use examples, but always connect them to customer needs, resources, and implementation.

4.2 Marketing planning at a glance

GUIDING QUESTION

How do businesses turn research into coordinated marketing actions that meet customer needs, use resources well, and adapt to competition, technology, ethics, and sustainability?

| Concept | What to remember |
|--------------------|---|
| Marketing planning | A systematic process for setting marketing objectives and deciding the strategies and actions needed to achieve them. |
| Market research | Evidence about customers, competitors, channels, and demand used to support decisions. |
| Marketing mix | The practical tools used to implement strategy through the 7Ps. |
| Target market | The segment or segments the business chooses to serve. |
| Positioning | The image the business wants customers to hold compared with rival brands. |

Marketing planning chain
Research -> objectives -> strategy -> 7Ps -> budget + action -> review

Why planning matters

- Reduces guesswork by using evidence.
- Helps allocate resources and budgets.
- Coordinates operations, finance, and HR.
- Makes it easier to monitor results and adjust.

How the ideas connect



Key exam move
 Do not treat marketing planning as only advertising. Strong answers explain how the plan links evidence, strategy, resources, implementation, and review.

Exam focus
 When evaluating a plan, ask whether it is realistic, coordinated, costed, and flexible enough to respond when conditions change.

4.2.1

Building a marketing plan

Key definition

A marketing plan is the document that sets out the market analysis, objectives, strategy, resources, budget, and action schedule for the period ahead.

| Plan section | What it should do |
|----------------------|--|
| Executive summary | Give a quick overview of the main direction of the plan and the key priorities. |
| Market analysis | Summarise customers, competitors, demand trends, channels, and risks. |
| Marketing objectives | State what the business wants to achieve within a clear time period. |
| Marketing strategy | Explain how target markets will be served and how the brand will compete. |
| Resources | Identify people, tools, partners, and capabilities needed to deliver the strategy. |
| Budget | Show how much will be spent and where spending will be allocated. |
| Action schedule | List tasks, deadlines, responsibilities, and estimated costs. |

Typical planning sequence**Good plans are usually**

- Evidence-based, not guesses.
- Realistic about budget and capacity.
- Clear about responsibilities and timing.
- Flexible enough to be updated when the market changes.

Application tip

A plan should fit the organisation as a whole. There is little value promoting rapid sales growth if production, staffing, or cash flow cannot support the extra demand.

4.2.2

The role of marketing planning

Big idea

Marketing planning gives direction, improves coordination, supports budgeting, and provides a basis for monitoring performance. It also helps the business respond when technology, ethics, or customer values shift.

| Role | How it helps the business |
|---------------------|--|
| Direction | Clear objectives help managers decide what the marketing team is trying to achieve. |
| Coordination | Operations, finance, and HR can prepare for demand if the plan is shared early. |
| Resource allocation | Budgets, staff time, and digital tools can be directed to the most important activities. |
| Control | Managers can compare actual outcomes with targets and revise the plan if needed. |
| Adaptation | Plans can be updated when new competitors, technologies, or social trends change the market. |

| Department | What the marketing plan changes |
|-----------------|--|
| Operations | Output levels, delivery capacity, stock, and quality targets. |
| Finance | Availability of funds for research, promotion, pricing, and launch costs. |
| Human resources | Recruitment or training needs when a new product or service is introduced. |
| Management | Overall priorities, timing, and performance review. |

Monitoring matters because

- Targets give a benchmark for success.
- Weak results can trigger changes to price, promotion, or distribution.
- Strong results may justify extra investment.
- Regular review stops the plan becoming outdated.

Exam focus

When asked to analyse the role of marketing planning, move beyond description. Explain how planning improves decisions, but also note that plans can fail if the assumptions are wrong or if implementation is weak.

4.2.3

Elements of the marketing mix (7Ps)**Key distinction**

Strategy is the broad direction. The marketing mix is the set of practical tools used to put that strategy into action.

| Element | What managers decide | Example in practice |
|-------------------|--|--|
| Product | Features, design, quality, and range of the good or service. | A smartwatch brand adds sleep tracking and health alerts. |
| Price | How much customers pay and what value they perceive. | A cinema uses lower weekday prices to raise demand in quiet periods. |
| Promotion | How the business communicates and persuades customers. | A new app uses social media ads and influencer reviews. |
| Place | Where and how the product is available to customers. | A furniture retailer sells through showrooms and online delivery. |
| People | Staff who shape the customer experience. | Travel advisers help customers choose suitable holiday packages. |
| Process | How the service is delivered and how easy purchase feels. | An airline uses online booking and mobile check-in. |
| Physical evidence | The physical cues that influence customer perceptions. | Luxury packaging and a premium store interior reinforce quality. |

Why the 7Ps matter

Customers judge the whole offer, not just the product. A weak process, poor service, or bad distribution can damage demand even when the core product is strong.

Exam technique

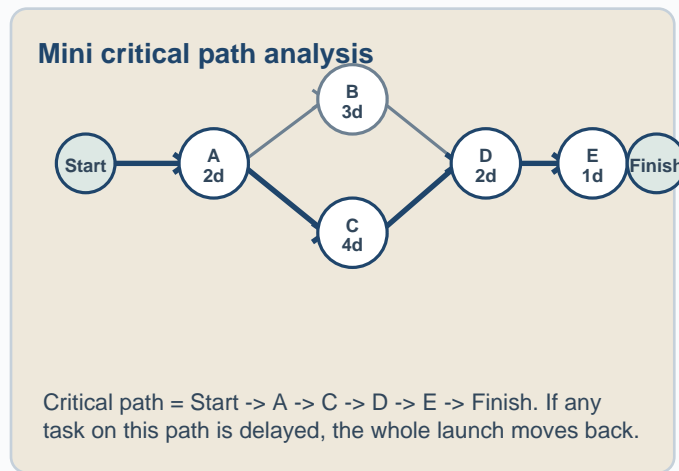
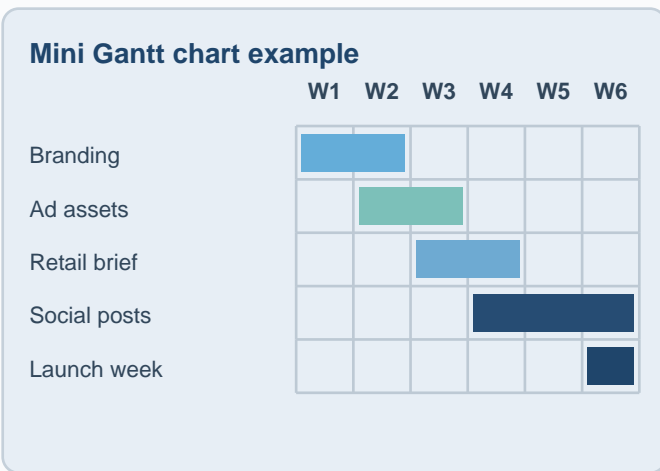
In case studies, explain which part of the mix should change and why. For example, weak awareness may require promotion, but poor convenience may require changes to place or process instead.

4.2.4 Project planning tools

Business toolkit

Marketing projects often involve many connected tasks. Gantt charts show timing and sequence; critical path analysis identifies the tasks that determine the minimum project duration.

| Tool | What it helps managers do |
|------------------------|--|
| Gantt chart | See when each task should start and finish, monitor overlap, and track whether the project is on schedule. |
| Critical path analysis | Identify the sequence of tasks that cannot be delayed without delaying the whole project. |



Why these tools matter

They reduce confusion in complex launches. Managers can spot bottlenecks, assign responsibilities more clearly, and protect the launch date by prioritising the tasks on the critical path.

4.2.5 Segmentation and targeting

Key idea

Businesses rarely try to serve everyone in exactly the same way. They divide the market into segments, choose the target market, and then tailor the offer to that group.

| Segmentation basis | How it groups customers | Example |
|--------------------|---|---|
| Geographic | By location or region | A drinks brand promotes hot drinks in colder regions and iced options in warmer areas. |
| Demographic | By age, occupation, family stage, or gender | A bank offers different products for students, professionals, and retirees. |
| Socio-economic | By income, education, or social class | A car company sells premium models for higher-income buyers and basic models for value-focused drivers. |
| Psychographic | By lifestyle, personality, or values | An outdoor brand targets adventurous customers who value hiking and camping. |

Segment -> target -> tailor the offer



A good target segment is usually

- Measurable: its size and demand can be estimated.
- Reachable: the business can communicate with it and distribute to it.
- Profitable: revenue can cover the cost of serving it well.

Trade-off to remember

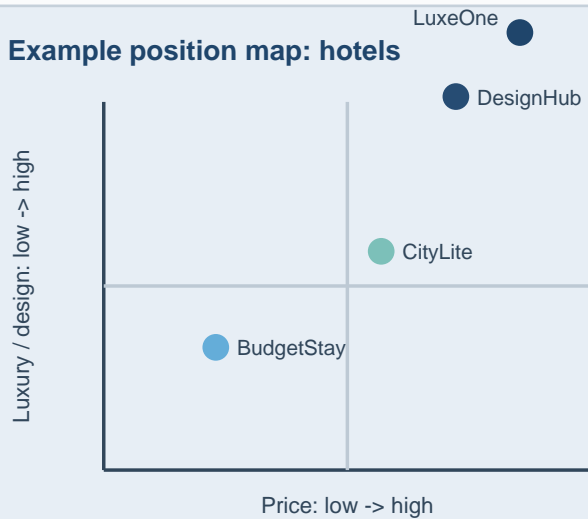
More segments may increase relevance, but they also raise costs because the firm may need different products, campaigns, or distribution methods for each group.

4.2.6 Positioning and position maps

Definition

Positioning is the place a product holds in the customer's mind compared with competitors. A position map helps managers visualise that perception using two features that matter to buyers.

Example position map: hotels



How to read the map

- Top right usually suggests a premium, high-value offer.
- Bottom left suggests low price and low luxury.
- Gaps on the map may reveal opportunities for new positioning.
- The map must reflect customer perception, not just what the firm hopes buyers think.

Exam tip

Explain why a chosen position may suit the target market. For example, moderate price with stylish design may attract urban travellers who want value without a basic experience.

| What managers should check | Why it matters |
|----------------------------|---|
| Customer perception | The chosen position only works if buyers actually see the product that way. |
| Competitor space | Positioning should make the offer distinct enough to stand out. |
| Economic and social trends | A downturn may shift demand toward value; greater environmental concern may favour greener positioning. |

4.2.7

Niche markets versus mass markets**Key distinction**

Niche marketing focuses on a small, clearly defined group with specific needs. Mass marketing aims at a broad market with standardised products and wide distribution.

| Approach | Main strengths | Main risks | Example |
|--------------|---|---|---|
| Niche market | Closer fit to specialist needs, stronger loyalty, and the possibility of premium pricing. | Smaller sales volume and higher exposure if demand falls or a large rival enters. | Ergonomic office furniture for remote professionals. |
| Mass market | Large sales volume, economies of scale, and lower unit costs. | The offer may feel less tailored, and competition can be intense. | Packaged breakfast cereal sold nationwide through supermarkets. |

Niche strategies often suit

- Small firms and start-ups with limited budgets.
- Markets where buyers value expertise or customisation.
- Situations where large firms ignore small specialist segments.

Mass-market strategies often suit

- Firms with scale, strong distribution, and large advertising budgets.
- Standardised goods bought by many households.
- Businesses that benefit heavily from lower unit costs.

Exam focus

Always judge the approach in context. A niche may be ideal for a specialist start-up, while a large brand may gain more from scale and broad distribution. Neither strategy is always superior.

4.2.8

USP and differentiation**Key definition**

A unique selling proposition (USP) is the distinctive benefit or feature that makes an offer stand out. Differentiation is the broader strategy of making the product or brand meaningfully different from rivals.

| Source of differentiation | Example |
|---------------------------|--|
| Product features | A running shoe brand highlights advanced cushioning that reduces impact. |
| Convenience | A grocery retailer offers subscription-based home deliveries. |
| Brand image | A bicycle brand builds its image around urban mobility and sustainability. |
| Pricing model | A language platform charges one monthly fee for unlimited access. |
| Customer service | An appliance brand includes free installation and tutorials. |
| Ethics / sustainability | A clothing brand promotes recycled materials and responsible sourcing. |

Why a strong USP matters

- Makes the product easier to remember.
- Gives customers a reason to choose the brand.
- Can support premium pricing if buyers value the difference.
- Helps build loyalty when the same benefit is delivered consistently.

Limitation

A difference only matters if customers notice it and care about it. Research is needed to check that the claimed USP matches what buyers actually value.

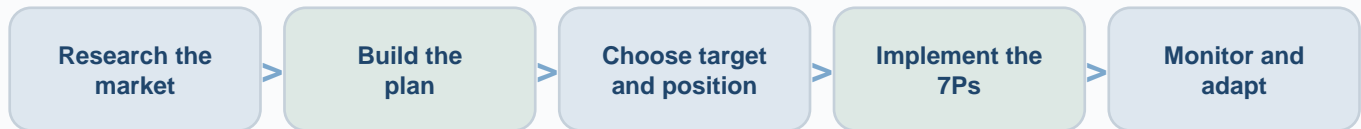
Application tip

Evaluation should weigh benefits against cost. Better features, service, or sustainable materials may increase demand, but they also raise cost. The strategy works only if extra sales or higher prices cover that cost.

4.2

Final revision summary

The strongest answers usually follow this chain



| Key term | Meaning |
|----------------|---|
| Marketing plan | Document setting out analysis, objectives, strategy, budget, and actions. |
| Marketing mix | Set of tools used to put strategy into practice through the 7Ps. |
| Segmentation | Dividing a market into groups with similar characteristics or needs. |
| Target market | The chosen segment the business decides to serve. |
| Positioning | The image or place a product holds in the customer's mind relative to rivals. |
| Niche market | A small, specialist market with specific customer needs. |
| USP | The distinctive benefit that makes the offer stand out. |

Practice prompts

- Explain how a marketing plan supports better decisions.
- Distinguish segmentation, targeting, and positioning.
- Use one example to show how the 7Ps implement strategy.
- Compare niche and mass marketing for a named business.
- Evaluate whether a USP is strong enough to justify higher prices.

Last-minute checklist

- Can you describe the parts of a marketing plan?
- Can you explain how the 7Ps fit the target market?
- Can you justify a chosen target segment?
- Can you read a position map and spot a market gap?
- Can you link differentiation to profit as well as customer appeal?